



What is the Energy Purchasing Cooperative Program?

Several years ago, the State of Michigan began working collectively with interested public organizations to leverage cooperative purchasing power. Today, the resulting State of Michigan Energy Purchasing Cooperative is still driven by members, with quarterly meetings held to discuss program goals and gather feedback.

By taking advantage of the Energy Purchasing Cooperative's competitively bid contracts, you can spend more time and resources overseeing high-level data instead of researching and analyzing daily market conditions.

The Energy Purchasing Cooperative includes purchases not only for natural gas, but electricity, energy conservation, and performance contracting.



Department of
Management and Budget
Purchasing Operations
530 West Allegan St.
Lansing, MI 48909
Phone (517) 335-0230
Fax (517) 335-0046

Revised 9-25-06

Energy Purchasing Cooperative Program

Natural Gas





Benefits of the Energy Purchasing Cooperative Program

Benefits include: management of the natural gas program, access to the State's industry consultant, discount group pricing, budget planning process, and financial reporting tools.

The State of Michigan pays the monthly bill from the energy supplier, and invoices individual members for their allocated portion based on utility nominations. This enables the energy supplier to offer more aggressive pricing.

The Cooperative is investigating sourcing strategies that can provide further price improvements and security in supply, including; additional storage capacity contracts with the utilities, and royalties in kind on Michigan gas wells.

Please Contact: Tony Des Chenes
(517-335-1559) or email
Deschenesa1@Michigan.gov

* Michigan's Extended Purchasing programs including Energy and MiDeal, are governed by Public Act 431 of 1984.



How to Join?

Who can join?

Some size restrictions apply, for economic reasons. Members must have an annual consumption on one meter of at least 20,000 MMBTU. The Cooperative can accommodate members with existing contracts, and encourages at least partial participation. Members may purchase all or just part of their natural gas requirements through the Cooperative.

The State of Michigan Energy Purchasing Cooperative is open to the following entities*: cities, villages, counties, townships, school districts, intermediate school districts, non-profit hospitals, institutions of higher learning, and community or junior colleges.

How much time should be allowed to switch my service to the Cooperative?

Please plan on at least thirty days for a smooth transition between suppliers.

When can I join the Cooperative?

You may join at any time.



FAQs

How do I find out more?

Please feel free to request a personal conference call with the membership coordinator to review the options. Member references are also available upon request.

How big is the Cooperative?

The Cooperative currently buys 5 BCF annually, and its members include State agencies, public universities, K-12 schools, counties, and cities.

Is there a fee?

Members pay a \$100 monthly fee, invoiced with their natural gas bill.

What is the Cooperative's purchasing strategy?

Each member has a custom-made plan for their natural gas program, and determines their own individual purchasing strategy and level of management involvement. The plan can be changed, one month in advance, for the next month.